

## **45.612**

(3) Because of its nature, the property constitutes a danger to public health, safety, or welfare.

(b) Unless permitted by the contract, no contractor inventory shall be abandoned on the contractor's premises without the contractor's written consent.

(c) Surplus property for which a determination has been made under subparagraph (a)(1) or (2) above may, however, be donated to public bodies in lieu of abandonment or destruction. All costs incident to donation shall be borne by the donee.

### **45.612 Removal and storage.**

#### **45.612-1 General.**

Contractor inventory shall be removed from the contractor's premises as soon as possible to preclude storage expenses.

#### **45.612-2 Special storage at the contractor's risk.**

When the contractor finds it necessary to remove property from the premises before expiration of the plant clearance period, the contractor may, with the concurrence of the plant clearance officer, store property in a warehouse or other storage location on or off the contractor's premises. Storage shall in no way modify the contractor's responsibility for the property. The expense of storage, including any cost incident to the transportation to and from the storage area, shall normally be borne by the contractor and shall not be charged directly or indirectly to Government contracts unless the contracting officer determines that the storage is for the convenience of the Government.

#### **45.612-3 Special storage at the Government's expense.**

(a) Contractor inventory may be stored at the Government's expense only when the contracting officer determines that it should be retained in storage for anticipated use.

(b) When the plant clearance officer recommends that the contracting office execute a storage agreement with the contractor, the request shall be accompanied with adequate data to justify the agreement (e.g., property to be

## **48 CFR Ch. 1 (10-1-01 Edition)**

stored, storage period, and cost to the Government).

(c) If the contractor will not agree to storage on its premises, the plant clearance officer shall submit adequate information to permit a decision by the contracting office for storage on a Government or commercial facility (e.g., storage space required; necessary packing, crating, and shipping services; and information as to available Government or commercial storage facilities in the local area).

### **45.613 Property disposal determinations.**

Written determinations supporting abandonment, destruction, or other appropriate disposition shall be made by the plant clearance officer and reviewed by an appropriate reviewing authority within the agency.

#### **45.614 Subcontractor inventory.**

(a) The disposal policies and procedures in this subpart are applicable to contractor inventory in the possession of subcontractors, except inventory under terminated subcontracts for which the termination contracting officer has authorized the prime contractor to conclude settlements (see 49.108-4).

(b) Subcontractors in all tiers shall prepare inventory schedules in accordance with the requirements of this subpart. Forms prescribed for use by prime contractors may be used by subcontractors, but their use is not required if substantially equivalent information is provided. Subcontractor inventory and any disposal recommendations (including scrap recommendations) shall be reported through the next-higher-tier subcontractor to the contractor, who is responsible for reporting property to the cognizant plant clearance officer. The prime contractor and each subcontractor are responsible for review and approval of inventory schedules submitted by their respective next-lower-tier subcontractors. This includes review and, if necessary, physical survey of subcontractor inventory that is contained in a termination settlement proposal to assure that it is physically, technically, and quantitatively allocable to the contract, and cannot be

reasonably diverted to other work of the subcontractor.

(c) Any rights which the prime contractor has or acquires in the inventory of first-tier or lower-tier subcontractors shall, to the extent directed by the contracting officer, be exercised for the benefit of the Government in accordance with the provisions of the prime contract.

(d) Contract administration offices shall assure that prime contractors have performed adequate allocability reviews of subcontractor inventory and have determined that materials reasonably usable on other prime or subcontractor work are not included in a termination settlement proposal. The plant clearance officer for the prime contractor plant is responsible for determining the adequacy of screening, allocability reviews, and proper crediting of proceeds for the disposal of subcontractor inventory by the prime contractor. Assistance should generally be secured from other officers for verification, determination of allocability, local screening, and plant clearance action when property is located outside the geographic area of the cognizant contract administration office.

[48 FR 42392, Sept. 19, 1983, as amended at 54 FR 34756, Aug. 21, 1989]

#### **45.615 Accounting for contractor inventory.**

Following disposition of all contractor inventory, and after due application of proceeds, the plant clearance officer shall prepare SF 1424, Inventory Disposal Report, accounting for all property reported by the contractor and its disposition. The report shall indicate any inventory lost, damaged, destroyed, or otherwise unaccounted for, as well as any changes in quantity or value of inventory made by the contractor after submission of the initial schedules. The report shall be transmitted to the property administrator or, for termination inventory, to the termination contracting officer.

### **PART 46—QUALITY ASSURANCE**

Sec.

46.000 Scope of part.

#### **Subpart 46.1—General**

- 46.101 Definitions.
- 46.102 Policy.
- 46.103 Contracting office responsibilities.
- 46.104 Contract administration office responsibilities.
- 46.105 Contractor responsibilities.

#### **Subpart 46.2—Contract Quality Requirements**

- 46.201 General.
- 46.202 Types of contract quality requirements.
  - 46.202-1 Contracts for commercial items.
  - 46.202-2 Government reliance on inspection by contractor.
  - 46.202-3 Standard inspection requirements.
  - 46.202-4 Higher-level contract quality requirements.
- 46.203 Criteria for use of contract quality requirements.
- 46.204 [Reserved]

#### **Subpart 46.3—Contract Clauses**

- 46.301 Contractor inspection requirements.
- 46.302 Fixed-price supply contracts.
- 46.303 Cost-reimbursement supply contracts.
- 46.304 Fixed-price service contracts.
- 46.305 Cost-reimbursement service contracts.
- 46.306 Time-and-material and labor-hour contracts.
- 46.307 Fixed-price research and development contracts.
- 46.308 Cost-reimbursement research and development contracts.
- 46.309 Research and development contracts (short form).
- 46.310 Facilities contracts.
- 46.311 Higher-level contract quality requirement.
- 46.312 Construction contracts.
- 46.313 Contracts for dismantling, demolition, or removal of improvements.
- 46.314 Transportation contracts.
- 46.315 Certificate of conformance.
- 46.316 Responsibility for supplies.

#### **Subpart 46.4—Government Contract Quality Assurance**

- 46.401 General.
- 46.402 Government contract quality assurance at source.
- 46.403 Government contract quality assurance at destination.
- 46.404 Government contract quality assurance for acquisitions at or below the simplified acquisition threshold.
- 46.405 Subcontracts.
- 46.406 Foreign governments.
- 46.407 Nonconforming supplies or services.
- 46.408 Single-agency assignments of Government contract quality assurance.